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**Attorneys for Defendants**  
**DEER CONSUMER PRODUCTS,**  
**INC., ARNOLD STALOFF and**  
**WALTER ZHAO**

**UNITED STATES DISTRICT COURT**  
**CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

JAMES ROSE, ANTOINE DE  
SEJOURNET, and UNIVERSAL  
INVEST QUALITY GROWTH  
INDIVIDUALLY AND ON BEHALF  
OF ALL OTHERS SIMILARLY  
SITUATED,

Plaintiffs,

v.

DEER CONSUMER PRODUCTS,  
INC., YING HE, YUEHUA XIA,  
ZONGSHU NIE, EDWARD HUA,  
ARNOLD STALOFF, QI HUA XU,  
YONGMEI WANG, MAN WAI  
JAMES CHIU, AND WALTER  
ZHAO,

Defendants.

Case No. CV 11-03701 DMG (MRWx)

**[PROPOSED] PROTECTIVE  
ORDER GOVERNING  
DOCUMENTS, TESTIMONY AND  
INFORMATION PRODUCED BY  
DEER**

Date:  
Time:  
Cttrm: 7

Trial Date: None Set

**1. PURPOSES AND LIMITATIONS**

Having reviewed the parties' Stipulation Regarding [Proposed]  
Protective Order Governing Documents Produced By Deer Consumer Products, Inc.  
("Deer"), and good cause appearing, the Court hereby enters the following  
Protective Order (the "Order"). Deer has agreed to produce documents that it  
provided in both (1) the SEC action, *In the Matter of Deer Consumer Products*, HO-

1 11595 (“SEC Action”) and (2) to the NASDAQ request for information (“NASDAQ  
 2 Request”) that relate to the Litigation, so long as those documents relate to alleged  
 3 misconduct that occurred prior to March 21, 2011 (“Production”). The Parties  
 4 further agreed no Production will take place until 7 days after the Conclusion (as  
 5 defined in the Stipulation of Settlement) of the SEC Action and NASDAQ Request.  
 6 (See Stipulation of Settlement, Section M, ¶¶ 1-2, Doc. No. 87 at 31.). This Order  
 7 governs the Production.

## 8           2.     **DEFINITIONS**

9           2.1     Party: Lead Plaintiffs, Deer, and any of their officers, directors,  
 10 employees, consultants, retained experts, and Outside Counsel of Record (and their  
 11 support staffs).

12           2.2     Non-Party: any natural person, partnership, corporation, association, or  
 13 other legal entity not identified as a Party at paragraph 2.1.

14           2.3     Receiving Party: a Party that receives any part of the Production from  
 15 Deer..

16           2.4     “CONFIDENTIAL” Information or Items: information (regardless of  
 17 how it is generated, stored or maintained) or tangible things that qualify for  
 18 protection under Federal Rule of Civil Procedure 26(c) or California Civil Code  
 19 §3426.1.

20           2.5     Protected Material: all Production produced by Deer that has been  
 21 designated “CONFIDENTIAL.”

22           2.6     Counsel (without qualifier): Outside Counsel of Record and House  
 23 Counsel (as well as their support staff). As of the date of this Order, Deer's Counsel  
 24 is Scheper Kim & Harris, LLP. Should Deer replace Scheper Kim & Harris, LLP, as  
 25 its counsel, Deer shall promptly provide the name, telephone number, and email  
 26 address of its new counsel to Lead Plaintiffs.

1           2.7    House Counsel: attorneys who are employees of a Party to this action.  
2 House Counsel does not include Outside Counsel of Record or any other outside  
3 counsel.

4           2.8    Outside Counsel: attorneys who are not employees of a Party to this  
5 action, but are retained to represent or advise a Party to this action and have  
6 appeared in this action on behalf of that Party or are affiliated with a law firm which  
7 has appeared on behalf of that Party.

8           2.9    Notification Counsel: Counsel to whom notification required to be  
9 made by this Order should be addressed. As of the date of this Order, Deer's  
10 Notification Counsel is Scheper Kim & Harris, LLP. Should Deer replace Scheper  
11 Kim & Harris, LLP, as its Notification Counsel, Deer shall promptly provide the  
12 name, telephone number, and email address of its new counsel to Lead Plaintiffs.

13           2.10   Expert: a person with specialized knowledge or experience in a matter  
14 pertinent to the litigation who has been retained by a Party or its Counsel to serve as  
15 an expert witness or as a consultant in this litigation. This definition includes a  
16 professional jury or trial consultant retained in connection with this litigation and  
17 any participants in a focus group, mock trial or research connected with case  
18 preparation.

19           2.11   Vendor: a person or entity which provides litigation support services  
20 (e.g., photocopying, videotaping, translating, preparing exhibits or demonstrations,  
21 and organizing, storing, or retrieving data in any form or medium) and its employees  
22 and subcontractors.

23           2.12   Electronic Data: information stored or recorded in the form of  
24 electronic or magnetic media (including information, files, databases or programs  
25 stored on any digital or analog machine-readable device, computers, discs, networks  
26 or tapes).

### 3. SCOPE AND BREADTH

(a) The protections conferred by this Order cover Protected Material, including (1) any information copied or extracted from Protected Material; (2) any copies, excerpts, summaries, or compilations of Protected Material; and (3) any testimony, conversations, or presentations by Parties or their Counsel that might reveal Protected Material. However, the protections conferred by this Order shall not apply to any document or information which: (a) was in the public domain at the time of disclosure or became part of the public domain after its disclosure, not as a result of a violation of this order; or (b) was discovered independently and lawfully by the Receiving Party.

(b) This Order is binding on all Parties to this action, on all Non-Parties who have agreed to be bound by this Order and on all others who have signed the document attached hereto as Exhibit A, and shall remain in force and effect until modified, superseded, or terminated by consent of the parties or by order of the Court.

### 4. DURATION

Even after final disposition of the Litigation, the confidentiality obligations imposed by this Order shall remain in effect until Deer agrees otherwise in writing or a court order otherwise directs. Final disposition shall be deemed to be the later of (1) dismissal of all claims and defenses in this action, with prejudice; and (2) final judgment herein after the completion and exhaustion of all appeals, re-hearings, remands, trials, or reviews of this action, including the time limits for filing any motions or applications for extension of time pursuant to applicable law. The Court retains jurisdiction over this action for enforcement of the provisions of this Order following the final disposition of this litigation.

### 5. DESIGNATING PROTECTED MATERIAL

#### 5.1 Designation of Confidentiality

1 (a) All documents and information produced by Deer in response to  
2 the SEC Action or NASDAQ Request that also (i) contain sensitive business  
3 information and/or confidential research, development (ii) or competitively sensitive  
4 current commercial information (iii) or documents or information containing the  
5 personal bank account numbers or social security numbers of individuals (iv) or that  
6 Deer believes qualifies for protection under Fed. R. Civ. P. 26(c) or California Civil  
7 Code §3426.1, may be designated as “CONFIDENTIAL.”

8 (b) Deer shall only designate information as Protected Material if it  
9 has a good faith basis to do so.

10 (c) If it comes to Deer’s attention that information or items it  
11 designated for protection do not qualify for protection, then Deer shall promptly  
12 notify all Parties that it is withdrawing the mistaken designation.

13 5.2 Manner and Timing of Designations. Materials or Information may be  
14 designated “CONFIDENTIAL” within the meaning of this Order in the following  
15 ways:

16 (a) Documents: Except as otherwise provided in this Order, or as  
17 otherwise stipulated or ordered, documents that qualify for protection under this  
18 Order must be clearly so designated before the material is disclosed or produced.

19 (b) Deer will affix the legend “CONFIDENTIAL” to each page that  
20 contains Confidential Information. If only a portion or portions of the material on a  
21 page qualifies for protection, Deer must clearly identify the protected portion(s)  
22 (e.g., by making appropriate markings in the margins).

23 5.3 Inadvertent Failures to Designate.

24 (a) The inadvertent or unintentional disclosure by Deer of  
25 Confidential Information without the appropriate designation at the time of  
26 disclosure shall not be deemed a waiver in whole or in part of Deer’s claim of  
27 confidentiality as to the specific information disclosed. Upon learning of an  
28 inadvertent or unintentional disclosure of Confidential Information without the

1 appropriate designation, Deer shall within fourteen (14) days notify Plaintiff, in  
 2 writing, of the error and identify (by bates number or other individually identifiable  
 3 information) the affected documents and their new designation or re-designation and  
 4 promptly supply copies of such materials with the appropriate designations. If  
 5 timely corrected, an inadvertent failure to designate qualified information or items  
 6 does not, standing alone, waive Deer's right to secure protection under this Order  
 7 for such material. Upon timely correction of a designation, Plaintiff must make  
 8 reasonable efforts to assure that the material is treated in accordance with the  
 9 provisions of this Order

10 (b) A Party's compliance with the terms of this Order shall not  
 11 operate as an admission that any particular document is or is not (a) confidential, (b)  
 12 privileged or (c) admissible in evidence at trial.

### 13 6. ACCESS TO AND USE OF PROTECTED MATERIAL

14 6.1 Basic Principles. A Receiving Party may use Protected Material that is  
 15 disclosed or produced by Deer only in connection with this litigation and only for  
 16 prosecuting, defending, or attempting to settle this litigation. Such Protected  
 17 Material may be disclosed only to the categories of persons and under the conditions  
 18 described in this Order. When this litigation has been terminated, a Receiving Party  
 19 must comply with the provisions of Section 11, below.

20 Protected Material must be stored and maintained by a Receiving Party  
 21 at a location and in a manner that ensures that access is limited to the persons  
 22 authorized under this Order.

23 6.2 Disclosure of "CONFIDENTIAL" Information or Items. Unless  
 24 otherwise ordered by the Court or permitted in writing by Deer, a Receiving Party  
 25 may disclose any information or item designated "CONFIDENTIAL" only to:

26 (a) the Receiving Party's Counsel, including Outside Counsel of  
 27 Record and House Counsel, as well as employees of said Counsel to whom it is  
 28 reasonably necessary to disclose the information for this litigation;

1 (b) the officers, directors, and employees of the Receiving Party to  
2 whom disclosure is reasonably necessary for this litigation and who have signed  
3 Exhibit A to this Order;

4 (c) Experts (as defined in this Order) of the Receiving Party to  
5 whom disclosure is reasonably necessary for this litigation and who have signed  
6 Exhibit A to this Order;

7 (d) the Court, or any other Court exercising jurisdiction with respect  
8 to this litigation (including appellate courts), and its personnel;

9 (e) court reporters or videographers and their staff, mediators and  
10 their staff, and Professional Vendors to whom disclosure is reasonably necessary for  
11 this litigation;

12 (f) any Party;

13 (g) witnesses in this action to whom disclosure is reasonably  
14 necessary and who have signed Exhibit A to this Order. Confidential Information or  
15 material may be disclosed to a witness who refuses to sign the Exhibit A to this  
16 Order, provided that: (i) the disclosure is made for a proper purpose related to this  
17 action; (ii) Counsel for the party using the Confidential Information endeavors in  
18 good faith to redact or handle the Confidential Information in such a manner as to  
19 disclose no more Confidential Information than is reasonably necessary in order to  
20 examine the witness; (iii) the witness is not permitted to retain the Confidential  
21 Information after the witness is examined regarding the Confidential Information;  
22 and (iv) the witness is informed that the Confidential Information is protected by an  
23 Order from the Court and by federal and state law, and that misuse,  
24 misappropriation or wrongful disclosure of any Confidential Information might  
25 subject him or her to the Court's jurisdiction as well as to civil and/or criminal  
26 liability. A deposition witness may review the entire deposition transcript and  
27 exhibits thereto in order to review and sign pursuant to Fed. R. Civ. P. 30(e).  
28 Witnesses who are shown Confidential Information, who will not sign Exhibit A to



1 this Order, shall not be allowed to retain copies of the “CONFIDENTIAL”  
2 Information or Items in connection with the deponent’s transcript review;

3 (h) the author or recipient of a document containing the information,  
4 or a custodian or other person who otherwise possessed or knew the information;  
5 and

6 (i) any other person only upon order of the Court or upon prior  
7 written consent of Deer.

8 6.3 Documents and materials filed with the Court.

9 (a) If any Party wishes to file with the Court a document or  
10 information that has been designated Confidential Information by Deer, it must give  
11 Deer five calendar days notice of intent to file, and must comply all other  
12 procedures set forth in Local Rule 79-5 and other relevant laws.

13 (b) Where an application to file documents under seal has been  
14 granted, the Confidential Information shall be filed in sealed envelopes or other  
15 appropriate sealed containers on which shall be endorsed the caption of this  
16 litigation, a generic designation of the contents, the words “CONFIDENTIAL  
17 INFORMATION and “SUBJECT TO COURT ORDER” and words in substantially  
18 the following form:

19 This envelope contains documents which are filed under seal in this case by  
20 [name of party] and, by Order of this Court dated \_\_\_\_\_, shall not be opened nor  
21 its contents displayed or revealed except as provided in that Order or by further  
22 Order of the Court.

23 Any pleading or other paper required to be filed under seal pursuant to this  
24 Section shall also bear the legend “FILED UNDER SEAL” in the upper-right hand  
25 corner of the cover page of the document. Only those portions of such documents  
26 and materials containing or reflecting Confidential Information shall be considered  
27 Confidential and may be disclosed only in accordance with this Order. Where  
28 feasible, only those portions of such filings which contain Confidential Information



1 shall be filed under seal. No Non-Party may have access to any sealed document  
 2 from the files of the Court without an order of the Court. The Court's mandatory  
 3 paper chambers copy of a sealed document shall be in the form specified by the  
 4 Court's Standing Order, and shall include a complete version of the documents with  
 5 an appropriate notation identifying the document or the portion of the document that  
 6 has been filed under seal.

7 (c) Each document filed under seal may be returned to the Party  
 8 which filed it (i) if no appeal is taken, within ninety days after a final judgment is  
 9 rendered, or (ii) if an appeal is taken, within thirty days after the mandate of the last  
 10 reviewing court which disposes of this litigation in its entirety is filed ("the final  
 11 resolution of this litigation"). If the Party that filed a sealed document fails to  
 12 remove the document within the appropriate time frame, the Clerk may destroy the  
 13 document or return the document to counsel for Deer upon request and within two  
 14 years after termination of the litigation.

15 (d) Where an application to file under seal has been denied on the  
 16 merits, the moving Party may file the document it sought to seal on the Court's  
 17 public docket.

18 6.4 Non-Application of Order. The restrictions regarding Confidential  
 19 material shall not apply to documents or information designated Confidential which  
 20 (a) were, are or become public knowledge, not in violation of this Stipulated  
 21 Protective Order; or (b) were or are discovered independently by the receiving party.

## 22 23 **7. PROTECTED MATERIAL SUBPOENAED OR ORDERED 24 PRODUCED IN OTHER LITIGATION**

25 If a Party is served with a subpoena or a court order issued in other litigation  
 26 that compels disclosure of any Information or Items designated as  
 27 "CONFIDENTIAL" pursuant to this Order, that Party must:

28 (a) promptly notify Deer in writing. Such notification shall include

1 a copy of the subpoena or court order. An email to Deer's Notification Counsel  
2 attaching a copy of the subpoena or court order shall satisfy this requirement;

3 (b) promptly notify in writing the party who caused the subpoena or  
4 order to issue in the other litigation that some or all of the material covered by the  
5 subpoena or order is subject to this Order. Such notification shall include a copy of  
6 this Order; and

7 (c) cooperate with respect to all reasonable procedures sought to be  
8 pursued by Deer. No production or other disclosure of such information pursuant to  
9 the subpoena or other process shall occur before the Party served with the subpoena  
10 complies with the processes stated in Sections 7(a) and (b), above.

11 If Deer timely seeks a protective order, the Party served with the subpoena or court  
12 order shall not produce any information designated in this action as  
13 "CONFIDENTIAL" before a determination by the Court from which the subpoena  
14 or order issued, unless the Party has obtained Deer's permission. Deer shall bear the  
15 burden and expense of seeking protection in that court of its material – and nothing  
16 in these provisions should be construed as authorizing or encouraging a Receiving  
17 Party in this action to disobey a lawful directive from another court.

18 **8. UNAUTHORIZED DISCLOSURE OF PROTECTED**  
19 **MATERIAL**

20 If a Receiving Party learns that, by inadvertence or otherwise, it has  
21 disclosed Protected Material to any person or in any circumstance not authorized  
22 under this Order, the Receiving Party must immediately: (a) notify Deer, in writing,  
23 of the unauthorized disclosures (an email to Deer's Notification Counsel informing it  
24 of the disclosure shall satisfy this requirement); (b) use its best efforts to retrieve all  
25 unauthorized copies of the Protected Material; (c) inform the person or persons to  
26 whom unauthorized disclosures were made of all the terms of this Order; and (d)  
27 request such person or persons to execute the Exhibit A to this Order.  
28

**9. PRESERVATION OF RIGHTS**

9.1 Modification. Nothing in this Order abridges the right of any person to seek its modification by the Court in the future.

9.2 Right to Assert Other Objections. By stipulating to the entry of this Order, no Party waives any right it otherwise would have to object to disclosing or producing any Information or Item on any ground not addressed in this Order. Similarly, no Party waives any right to object on any ground to use in evidence of any of the material covered by this Order.

9.3 No Waiver. Entering into, agreeing to, and/or producing or receiving material designated as “CONFIDENTIAL,” or otherwise complying with the terms of this Order shall not:

(a) operate as an admission by any Party or Deer that any particular material designated as “CONFIDENTIAL” contains or reflects trade secrets, proprietary or commercially sensitive information, or any other type of “CONFIDENTIAL” Information;

(b) operate as an admission by any Party or Deer that the restrictions and procedures set forth herein constitute or do not constitute adequate protection for any particular information deemed by any Party to be “CONFIDENTIAL”;

(c) prejudice in any way the rights of any Party or Deer to seek a determination by the Court whether any information or material should be subject to the terms of this Order;

(d) prejudice in any way the rights of any Party or Deer to petition the Court for a further protective order relating to any purportedly confidential information;

(e) prevent the Parties or Deer from agreeing in writing or on the record during a deposition or hearing in this action to alter or waive the provisions or protections provided for herein with respect to any particular information or material;

1 (f) limit Deer's ability to grant Parties or Non-Parties access to its  
2 own documents and/or information; and

3 (g) be deemed to waive any applicable privilege or work product  
4 protection, or to affect the ability of any Party or Deer to seek relief for an  
5 inadvertent disclosure of material protected by privilege or work product protection.

6 **10. FINAL DISPOSITION**

7 Within sixty (60) days after the final disposition of this action, as  
8 defined in Section 4, each Receiving Party must return all Protected Material to  
9 Deer or, if the Receiving Party's Counsel is so informed, destroy such material. As  
10 used in this subdivision, "all Protected Material" includes all copies, abstracts,  
11 compilations, summaries, and any other format reproducing or capturing any of the  
12 Protected Material. Whether the Protected Material is returned or destroyed, the  
13 Receiving Party must submit a written certification to Deer by the 60 day deadline  
14 that (1) identifies (by category, where appropriate) all the Protected Material that  
15 was returned or destroyed and (2) affirms that the Receiving Party has not retained  
16 any copies, abstracts, compilations, summaries or any other format reproducing or  
17 capturing any of the Protected Material. An affirmation that states that all Protected  
18 Material in the Receiving Party's possession except archival copies was destroyed  
19 shall satisfy this requirement. Notwithstanding this provision, Counsel are entitled to  
20 retain an archival copy of all pleadings, motion papers, trial, deposition, and hearing  
21 transcripts, legal memoranda, correspondence, deposition and trial exhibits, expert  
22 reports, attorney work product, and consultant and expert work product, even if such  
23 materials contain Protected Material. Any such archival copies that contain or  
24 constitute Protected Material remain subject to this Order as set forth in Section 4.

25 **11. TIME PERIODS**

26 All time periods set forth in this Order shall be calculated according to  
27 Rule 6 of the Federal Rules of Civil Procedure, as then in effect.  
28



HON. MICHAEL R. WILNER  
UNITED STATES MAGISTRATE JUDGE

1 DATED: January 11, 2013

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DATED: January 10, 2013

THE ROSEN LAW FIRM  
Laurence M. Rosen

By: /s/ Laurence M. Rosen  
Laurence M. Rosen  
Attorneys for Plaintiffs and Proposed  
Class

DATED: January 10, 2013

SCHEPER KIM & HARRIS LLP  
DIANN H. KIM  
WILLIAM H. FORMAN

By: /s/ William H. Forman  
William H. Forman  
Attorneys for Defendants  
DEER CONSUMER PRODUCTS, INC.,  
ARNOLD STALOFF and WALTER  
ZHAO

**EXHIBIT A**

I, \_\_\_\_\_, declare as follows:

1. My business address is \_\_\_\_\_.

My present occupation is \_\_\_\_\_.

2. I have received a copy of the Protective Order Governing Documents, Testimony and Information Produced by Deer, LLC (“Protective Order”) in the action entitled *Rose v. Deer Consumer Products, Inc., et al.* and Related Counterclaims, Cross-claims and Third Party Claims, United States District Court for the Central District of California, Case No. CV 11-03701 DMG (MRWx), (the “Action”). I have carefully read and understand the provisions of the Protective Order.

3. I will comply with all the provisions of the Protective Order. I will hold in confidence, will not disclose to anyone other than those persons specifically authorized by the Protective Order, and will not copy or use, except for purposes of the Action, any documents or information that I receive in connection with the Action. I will also comply with all provisions of the Protective Order relating to documents and information that are Protected Material. At the conclusion of the Action, I will return or destroy all Protected Material in accordance with the terms of the Protective Order.

4. I hereby consent to be subject to the personal jurisdiction of the United States District Court, Central District of California, with respect to any proceedings relating to the enforcement of the Protective Order.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ at \_\_\_\_\_.

\_\_\_\_\_